Pearson BTEC Level 3 Nationals Extended Diploma

January 2022

Paper reference **21405J**

Sport

UNIT 22: Investigating Business in Sport and the Active Leisure Industry

Part A

You do not need any other materials.

Instructions

- Your Unit 22 assessment task contains two parts.
- **Part A** is specific to each series and this material must only be issued to learners who have been entered to undertake the task in the relevant series.
- We suggest that you spend no more than 6 hours independently conducting your research and making notes.
- You can take a maximum of four A4 sides of your research notes into the supervised assessment session (**Part B**).
- In **Part B**, you will be issued with supplementary stimulus information building on the case study information in **Part A**.
- In **Part B**, you will have 3 hours under supervised conditions specified by Pearson to respond to the task.
- Do not return research notes or **Part A** to Pearson.
- **Part B** should be kept securely until the start of the 3-hour supervised assessment period.

Turn over ▶

W63490A

©2022 Pearson Education Ltd.

1/1/1/1/1/1/1

W 6 3 4 9 0 A

Pearson

Instructions to Teachers/Tutors

This paper must be read in conjunction with the unit information in the specification and the BTEC Nationals Instructions for Conducting External Assessments (ICEA) document. See the Pearson website for details.

Learners have 6 hours from the release date and before the supervised assessment (**Part B**) to carry out research.

Learners will be expected to conduct research over a maximum of 6 hours. Up to four sides of A4 notes (minimum font size 11) can be taken into the supervised assessment (**Part B**).

Teachers/tutors cannot give any support to learners during the production of the notes and the work must be completed independently by the learner.

Part B is taken under supervision in a single session of 3 hours on the timetabled date.

Learner notes related to **Part A** must be checked to ensure length and contents comply with the requirements.

Learner notes will be retained securely by the centre after **Part B** has been undertaken and may be requested by Pearson if there is suspected malpractice.

Guidance for Learners

Read **Part A** information carefully as this contains the information you will need to prepare for **Part B**.

You will need to carry out your own research.

You will then be given **Part B** to complete under supervised conditions.

You must work independently and must not share your work with other learners.

Your teacher/tutor cannot give you feedback during the completion of **Part A** or **Part B**.

Part A Instructions

You have to prepare notes in response to the information provided in the case study in **Part A**.

The notes can be handwritten or typed and they must contain bullet points and not extended answers. Other content is not permitted.

Part A Case Study

In preparation for **Part B** you will research **three** different sports supplement businesses (including online businesses).

Your research should include:

- business operations
- facilities
- products and services
- demographics.

Pearson BTEC Level 3 Nationals Extended Diploma

Please check the examination details below before entering your candidate information

Candidate surname	Other names

Centre Number | Learner Registration Number

Time 3 hours

Paper reference **21405J**

Sport

UNIT 22: Investigating Business in Sport and the Active Leisure Industry

Part B

You must have:
Your research notes from **Part A** (maximum four A4 sides)
Calculator

Total Marks

Instructions

- Use **black** ink or ball-point pen.
- **Fill in the boxes** at the top of this page with your name, centre number and learner registration number.
- Answer **all** activities.
- Answer the activities in the spaces provided – *there may be more space than you need.*
- Do not return research notes or **Part A** to Pearson.

Information

- The total mark for this paper is 64.
- The marks for **each** activity are shown in brackets – *use this as a guide as to how much time to spend on each activity.*
- A calculator may be used.

Advice

- Read each activity carefully before you start to answer it.
- Try to answer every activity.
- Check your answers if you have time at the end.

Turn over ▶

P63491RA

©2021 Pearson Education Ltd.

1/1/1/1/1/1

P 6 3 4 9 1 R A 0 1 2 8

Pearson

Important Information

Refer to your research notes from **Part A** to complete **Part B**. You cannot access the internet or any other resources during the supervised assessment period.

You must plan your time and work independently throughout the 3-hour supervised assessment period.

You will complete **Part B** under supervision and your work will be kept securely during any breaks taken.

You must not share your work with other learners.

DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA

Part A Case Study

In preparation for **Part B** you will research **three** different sports supplement businesses (including online businesses).

Your research should include:

- business operations
- facilities
- products and services
- demographics.

Part B Set Task Information

Optipro

Optipro is a private limited company that sells protein supplements focusing specifically on building muscle and improving training performance.

The Managing Director holds a degree in nutrition and Optipro has been selling its product for just over 2 years. The business currently has a small business loan and is supplemented by the Managing Director's personal income as a full-time Personal Trainer.

Business operations

Staffing structure

Managing Director

Responsible for:

Product design/marketing/sales

Distribution of product (online and direct to gym)

Finances

DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA

Basic financial records of Optipro for the past two years:

	2017/18	2018/19
Income		
Gym sales	£7,200	£17,100
Online sales	£18,454	£50,690
Total	**£25,654**	**£67,790**
Operational costs		
Product manufacturing	£6,800	£21,300
Legal costs (fixed cost) e.g. insurances	*£1,000*	*£1,000*
Online account tracking tool	*£300*	*£300*
Personal loan repayment	*£4,000*	*£4,000*
Transport costs (to gyms and sales pitches)	£1,400	£3,200
Distribution costs of online products	£2,950	£10,100
Special offer of a free water bottle (with logo)	£1,875	£3,750
Total	**£18,325**	**£43,650**
Profit	**£7,329**	**£24,140**

DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA

Facilities

- The Managing Director receives products and packaging at home, then distributes them to customers.
- The Managing Director operates the online store from a laptop.
- An online account tracking tool monitors finances for tax purposes.

Products and services

Optipro targets gym users, especially people interested in weightlifting and bodybuilding.

The product range includes:

- separate protein bars to use pre-training, post-training or at any time during the day
- whey protein drinks (ready to mix separate sachets)
- protein shaker – bottle to use for protein drink (with business logo)
- 'Total Recovery' pack – protein drink (x10 sachets), protein bar (x10) and a shaker bottle.
- An information pack explaining amounts required, training benefits and timing of intake.

All the products are sold in 20 large gyms within 25 miles of the Managing Director's home.

Optipro operates an online shop where all products can be bulk ordered. It has a small website that explains all its products and pricing.

The following can be purchased online.

Item	Cost (including delivery)
1 box (12 protein bars)	£22.00
1 large whey protein bag (2.2 kg)	£29.99 (special offer with free shaker)
Shaker bottle (with logo)	£5.99

Minimum spend on online orders is £60.00 (UK distribution only).

The company has no advertisement presence other than the online shop and website. It is reliant on word of mouth through regular customers. Product sales within the gyms advertise the online shop.

Demographics

There are 40,000 members in the 20 gyms where the products are sold. Optipro focuses its product sales on people aged between 16–45 years. 20,000 of the 40,000 gym members are aged between 16–45 years.

The online shop can distribute to the whole of the UK.

DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA

Maxtion

Business operations

Maxtion is an online sports supplement store. It sells a wide range of discounted products to suit individual training needs since 2008.

Facilities

Maxtion has a product development lab in the UK and one in China, and is linked to a large worldwide distribution company that directly ships orders once they have been submitted online.

Products and services

Maxtion has a full range of products under three main areas:

- protein products
- strength and endurance
- health and wellbeing.

The company sells a full range of products which includes:

- whey protein
- energy drinks
- nutrition bars (protein and carbohydrate based).

The website allows customers to 'shop by their goal' – goals include:

- before training
- during training
- recovery from training
- lean and weight management
- healthy snacking.

Each 'shop by goal' is endorsed by personal trainers, physiotherapists and bodybuilders highlighting the benefits of each product.

The website has a range of articles about protein usage for customers to develop their knowledge.

The website has a 'top sellers' section and a deal of the month, where discounted prices are offered with larger bulk orders.

DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA

The shop also has a merchandise section. Here customers can buy the following, all with the Maxtion logo.

- shakers
- T shirts and polo shirts
- hoodies.

Maxtion is the official sponsor of one of Europe's most successful men's football clubs and women's football clubs.

Demographics

The online shop distributes worldwide.

DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA

Set Task

You must complete ALL activities.

Produce a business summary by completing the following activities. You will need to refer to the task information and your research notes on sport supplement businesses.

Activity 1. Review of business information

Review the current business status of Optipro using the details provided in the set task information. You should consider:

- the purpose
- the data
- your research of the sport and active leisure industry.

(Total for Activity 1 = 16 marks)

Activity 2. Business model analysis

Using the PESTLE **or** SWOT business model, analyse the factors that are currently affecting Optipro.

(Total for Activity 2 = 16 marks)

Activity 3. Recommendations

Recommend how Optipro can develop and market itself.

You should consider:

- customer groups
- trends in the industry
- the needs of the business.

(Total for Activity 3 = 20 marks)

Activity 4. Justification

Justify your recommendations for Optipro in relation to:

- Maxtion and other sport supplement businesses
- the wider business context in the sport and active leisure industry.

(Total for Activity 4 = 12 marks)

DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA

Taskbook

Please do not write answers outside the spaces provided.

You must complete all activities in this taskbook.

Activity 1. Review of business information

Review the current business status of Optipro using the details provided in the set task information. You should consider:

- the purpose
- the data
- your research of the sport and active leisure industry.

(16)

DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

(Total for Activity 1 = 16 marks)

Activity 2. Business model analysis

Using the PESTLE **or** SWOT business model, analyse the factors that are currently affecting Optipro.

(16)

DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

(Total for Activity 2 = 16 marks)

DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA

Activity 3. Recommendations

Recommend how Optipro can develop and market itself.

You should consider:

- customer groups
- trends in the industry
- the needs of the business.

(20)

DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA

(Total for Activity 3 = 20 marks)

Activity 4. Justification

Justify your recommendations for Optipro in relation to:

- Maxtion and other sport supplement businesses
- the wider business context in the sport and active leisure industry.

(12)

DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA

(Total for Activity 4 = 12 marks)

TOTAL FOR TASK = 64 MARKS

BLANK PAGE

DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA
DO NOT WRITE IN THIS AREA